

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

In re: BRG Holding, LLC

Case No. 20-12879-ablCHAPTER 11
MONTHLY OPERATING REPORT
(GENERAL BUSINESS CASE)

SUMMARY OF FINANCIAL STATUS

MONTH ENDED: Jul-20PETITION DATE: 06/16/20

1. Debtor in possession (or trustee) hereby submits this Monthly Operating Report on the Accrual Basis of accounting (or if checked here the Office of the U.S. Trustee or the Court has approved the Cash Basis of Accounting for the Debtor).
Dollars reported in \$1

2. **Asset and Liability Structure**

a. Current Assets
b. Total Assets
c. Current Liabilities
d. Total Liabilities

	<u>End of Current Month</u>	<u>End of Prior Month</u>	<u>As of Petition Filing</u>
	<u>\$4,337,471</u>	<u>\$2,900,016</u>	
	<u>\$4,337,471</u>	<u>\$2,900,016</u>	<u>\$3,364,229</u>
	<u>\$13,592,339</u>	<u>\$4,594,895</u>	
	<u>\$35,806,727</u>	<u>\$34,321,546</u>	<u>\$33,693,137</u>

3. **Statement of Cash Receipts & Disbursements for Month**

a. Total Receipts
b. Total Disbursements
c. Excess (Deficiency) of Receipts Over Disbursements (a - b)
d. Cash Balance Beginning of Month
e. Cash Balance End of Month (c + d)

	<u>Current Month</u>	<u>Prior Month</u>	<u>Cumulative (Case to Date)</u>
	<u>\$2,068,565</u>	<u>\$2,018,565</u>	<u>\$2,589,948</u>
	<u>\$2,068,565</u>	<u>\$2,018,565</u>	<u>\$2,589,948</u>
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

4. **Profit/(Loss) from the Statement of Operations**5. **Account Receivables (Pre and Post Petition)**6. **Post-Petition Liabilities**7. **Past Due Post-Petition Account Payables (over 30 days)**

	<u>Current Month</u>	<u>Prior Month</u>	<u>Cumulative (Case to Date)</u>
	<u>(\$47,726)</u>	<u>\$42,252</u>	<u>(5,474.12)</u>
	<u>\$2,893,088</u>	<u>\$2,417,267</u>	
	<u>\$13,592,339</u>	<u>\$4,594,895</u>	
	<u>\$352,396</u>	<u>\$0</u>	

At the end of this reporting month:

8. Have any payments been made on pre-petition debt, other than payments in the normal course to secured creditors or lessors? (if yes, attach listing including date of payment, amount of payment and name of payee) - **ECF #128 2020-07**

9. Have any payments been made to professionals? (if yes, attach listing including date of payment, amount of payment and name of payee)

10. If the answer is yes to 8 or 9, were all such payments approved by the court?

11. Have any payments been made to officers, insiders, shareholders, relatives? (if yes, attach listing including date of payment, amount and reason for payment, and name of payee)

12. Is the estate insured for replacement cost of assets and for general liability?

13. Are a plan and disclosure statement on file?

14. Was there any post-petition borrowing during this reporting period?

15. Check if paid: Post-petition taxes unknown ; U.S. Trustee Quarterly Fees ✓ ; Check if filing is current for: Post-petition tax reporting and tax returns: unknown .
(Attach explanation, if post-petition taxes or U.S. Trustee Quarterly Fees are not paid current or if post-petition tax reporting and tax return filings are not current.)

I declare under penalty of perjury I have reviewed the above summary and attached financial statements, and after making reasonable inquiry believe these documents are correct.

Date: 08/20/20

 Responsible Individual

STATEMENT OF OPERATIONS
(General Business Case)
For the Month Ended 07/31/20

Current Month			Cumulative (Case to Date)	Next Month Forecast
Actual	Forecast	Variance		
1,605,886		1,605,886		
-		-		
1,605,886		1,605,886		
743,739		(743,739)		
862,147		862,147		
-		-		
-		-		
-		-		
-		-		
862,147		862,147	1,180,436	-
Revenues:				
1	Gross Sales		2,143,223	
2	less: Sales Returns & Allowances		-	
3	Net Sales		2,143,223	-
4	less: Cost of Goods Sold	(Schedule 'B')	962,788	
5	Gross Profit		1,180,436	-
6	Interest		-	
7	Other Income:		-	
8			-	
9			-	
10 Total Revenues				
Expenses:				
11	Compensation to Owner(s)/Officer(s)		-	
12	Salaries		1,004,680	
13	Commissions		-	
14	Contract Labor		-	
Rent/Lease:				
15	Personal Property		-	
16	Real Property		-	
17	Insurance		-	
18	Management Fees		-	
19	Depreciation		-	
Taxes:				
20	Employer Payroll Taxes		73,209	
21	Real Property Taxes		-	
22	Other Taxes		-	
23	Other Selling		-	
24	Other Administrative		-	
25	Interest		-	
26	Other Expenses:		-	
27	Employee Travel		108,021	
28			-	
29			-	
30			-	
31			-	
32			-	
33			-	
34			-	
909,873		(909,873)	1,185,910	-
(47,726)		(47,726)	(5,474)	-
35 Total Expenses				
36 Subtotal				
Reorganization Items:				
37	Professional Fees		-	
38	Provisions for Rejected Executory Contracts		-	
39	Interest Earned on Accumulated Cash from Resulting Chp 11 Case		-	
40	Gain or (Loss) from Sale of Equipment		-	
41	U.S. Trustee Quarterly Fees		-	
42			-	
43 Total Reorganization Items				
(47,726)		(47,726)	(5,474)	-
44 Net Profit (Loss) Before Federal & State Taxes				
45	Federal & State Income Taxes			
(47,726)		(47,726)	(5,474)	-
46 Net Profit (Loss)				

Attach an Explanation of Variance to Statement of Operations (For variances greater than +/- 10% only):

**BALANCE SHEET
(General Business Case)
For the Month Ended**

Assets		<u>From Schedules</u>	<u>Market Value</u>
	Current Assets		
1	Cash and cash equivalents - unrestricted		-
2	Cash and cash equivalents - restricted		-
3	Accounts receivable (net)	A	2,893,088
4	Inventory	B	-
5	Prepaid expenses		-
6	Professional retainers		-
7	Other: Collections sent to MPR		1,444,383
8			-
9	Total Current Assets		4,337,471
	Property and Equipment (Market Value)		
10	Real property	C	-
11	Machinery and equipment	D	-
12	Furniture and fixtures	D	-
13	Office equipment	D	-
14	Leasehold improvements	D	-
15	Vehicles	D	-
16	Other:	D	-
17		D	-
18		D	-
19		D	-
20		D	-
21	Total Property and Equipment		-
	Other Assets		
22	Loans to shareholders		-
23	Loans to affiliates		-
24			-
25			-
26			-
27			-
28	Total Other Assets		-
29	Total Assets		4,337,471

NOTE:

Indicate the method used to estimate the market value of assets (e.g., appraisals; familiarity with comparable market prices, etc.) and the date the value was determined.

Liabilities and Equity
(General Business Case)

Liabilities From Schedules

Post-Petition

Current Liabilities

30	Salaries and wages		-
31	Payroll taxes		26,300
32	Real and personal property taxes		-
33	Income taxes		-
34	Sales taxes		-
35	Notes payable (short term)		-
36	Accounts payable (trade) - MPR	A	941,724
37	Real property lease arrearage		-
38	Personal property lease arrearage		-
39	Accrued professional fees		-
40	Current portion of long-term post-petition debt (due within 12 months)		-
41	Other: <u>DIP Line of Credit</u>		10,156,269
42	<u>Payments on pre-petition debt by MPR</u>		1,322,480
43	<u>Expenses paid by MPR</u>		1,145,565
44	Total Current Liabilities		<u>13,592,339</u>

Long-Term Post-Petition Debt, Net of Current Portion

45	Total Post-Petition Liabilities		<u>13,592,339</u>
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Pre-Petition Liabilities (allowed amount)

47	Secured claims	F	22,214,388
48	Priority unsecured claims	F	-
49	General unsecured claims	F	-
50	Total Pre-Petition Liabilities		<u>22,214,388</u>
51	Total Liabilities		<u>35,806,727</u>

Equity (Deficit)

52	Retained Earnings/(Deficit) at time of filing		(31,463,782)
53	Capital Stock		-
54	Additional paid-in capital		-
55	Cumulative profit/(loss) since filing of case		(5,474)
56	Post-petition contributions/(distributions) or (draws)		-
57			-
58	Market value adjustment		-
59	Total Equity (Deficit)		<u>(31,469,256)</u>
60	Total Liabilities and Equity (Deficit)		<u>4,337,471</u>

SCHEDULES TO THE BALANCE SHEET
(General Business Case)

Schedule A

Accounts Receivable and (Net) Payable

Receivables and Payables Agings

0 -30 Days
 31-60 Days
 61-90 Days
 91+ Days
 Total accounts receivable/payable
 Allowance for doubtful accounts
 Accounts receivable (net)

Accounts Receivable [Pre and Post Petition]	Accounts Payable [Post Petition]	Past Due Post Petition Debt
1,534,070	589,328	
506,007	352,396	
330,787	-	
1,346,779	-	
3,717,644	941,724	
824,556		
2,893,088		

Schedule B

Inventory/Cost of Goods Sold

Types and Amount of Inventory(ies)

Retail/Restaurants -
 Product for resale

 Distribution -
 Products for resale

 Manufacturer -
 Raw Materials
 Work-in-progress
 Finished goods

 Other - Explain

TOTAL _____

**Inventory(ies)
Balance at
End of Month**

Cost of Goods Sold

Inventory Beginning of Month	168,432
Add -	
Net purchase	575,308
Direct labor	_____
Manufacturing overhead	_____
Freight in	_____
Other:	-
Less -	
Inventory End of Month	-
Shrinkage	_____
Personal Use	_____
Cost of Goods Sold	743,739

Method of Inventory Control

Do you have a functioning perpetual inventory system?

Yes _____ No _____

How often do you take a complete physical inventory?

Weekly _____
 Monthly _____
 Quarterly _____
 Semi-annually _____
 Annually _____

Date of last physical inventory was _____

Date of next physical inventory is _____

Inventory Valuation Methods

Indicate by a checkmark method of inventory used.

Valuation methods -

FIFO cost _____
 LIFO cost _____
 Lower of cost or market _____
 Retail method _____
 Other _____
 Explain _____

Schedule C
Real Property

Description	<u>Cost</u>	<u>Market Value</u>
Total		

Schedule D
Other Depreciable Assets

Description	<u>Cost</u>	<u>Market Value</u>
Machinery & Equipment -		
Total		
Furniture & Fixtures -		
Total		
Office Equipment -		
Total		
Leasehold Improvements -		
Total		
Vehicles -		
Total		

Schedule E
Aging of Post-Petition Taxes
(As of End of the Current Reporting Period)

Taxes Payable	0-30 Days	31-60 Days	61-90 Days	91+ Days	Total
Federal					
Income Tax Withholding	-	-	-	-	-
FICA - Employee	-	-	-	-	-
FICA - Employer	-	-	-	-	-
Unemployment (FUTA)	-	-	-	-	-
Income	-	-	-	-	-
Other (Attach List)	-	-	-	-	-
Total Federal Taxes	-	-	-	-	-
State and Local					
Income Tax Withholding	22,894	-	-	-	22,894
Unemployment (UT)	3,406	-	-	-	3,406
Disability Insurance (DI)	-	-	-	-	-
Empl. Training Tax (ETT)	-	-	-	-	-
Sales	-	-	-	-	-
Excise	-	-	-	-	-
Real property	-	-	-	-	-
Personal property	-	-	-	-	-
Income	-	-	-	-	-
Other (Attach List)	-	-	-	-	-
Total State & Local Taxes	26,300	-	-	-	26,300
Total Taxes	26,300	-	-	-	26,300

Schedule F
Pre-Petition Liabilities

List Total Claims For Each Classification -	Claimed Amount	Allowed Amount (b)
Secured claims (a)	33,693,137	33,693,137
Priority claims other than taxes	-	-
Priority tax claims	-	-
General unsecured claims	-	-

(a) List total amount of claims even if under secured.
 (b) Estimated amount of claim to be allowed after compromise or litigation. As an example, you are a defendant in a lawsuit alleging damage of \$10,000,000 and a proof of claim is filed in that amount. You believe that you can settle the case for a claim of \$3,000,000. For Schedule F reporting purposes you should list \$10,000,000 as the Claimed Amount and \$3,000,000 as the Allowed Amount.

Schedule G
Rental Income Information
Not applicable to General Business Cases

Schedule H
Recapitulation of Funds Held at End of Month

	Account 1	Account 2	Account 3	Account 4
Bank				
Account Type				
Account No.				
Account Purpose				
Balance, End of Month				
Total Funds on Hand for all Accounts	-			

Attach copies of the month end bank statement(s), reconciliation(s), and the check register(s) to the Monthly Operating Report.

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**Increase/(Decrease) in Cash and Cash Equivalents****For the Month Ended 07/31/20**

		Actual Current Month	Cumulative (Case to Date)
Cash Receipts			
1	Rent/Leases Collected	-	-
2	Cash Received from Sales	1,130,066	1,444,383
3	Interest Received	-	-
4	Borrowings	-	-
5	Funds from Shareholders, Partners, or Other Insiders	-	-
6	Capital Contributions	-	-
7	Disbursements made by MPR	938,499	1,145,565
8		-	-
9		-	-
10		-	-
11		-	-
12	Total Cash Receipts	2,068,565	2,589,948
Cash Disbursements			
13	Payments for Inventory	-	-
14	Selling	-	-
15	Administrative	97,472	97,472
16	Capital Expenditures	-	-
17	Principal Payments on Debt	-	-
18	Interest Paid	-	-
19	Rent/Lease:	-	-
20	Personal Property	-	-
	Real Property	-	-
21	Amount Paid to Owner(s)/Officer(s)	-	-
22	Salaries	-	-
23	Draws	-	-
24	Commissions/Royalties	-	-
25	Expense Reimbursements	-	-
26	Other	-	-
27	Salaries/Commissions (less employee withholding)	649,920	830,240
	Management Fees	-	-
28	Taxes:	-	-
29	Employee Withholding	136,330	153,813
30	Employer Payroll Taxes	54,778	64,040
31	Real Property Taxes	-	-
32	Other Taxes	-	-
33	Other Cash Outflows:	-	-
34	Cash collected by MPR	1,130,066	1,444,383
35		-	-
36		-	-
37		-	-
38	Total Cash Disbursements:	2,068,565	2,589,948
39	Net Increase (Decrease) in Cash	-	-
40	Cash Balance, Beginning of Period	-	-
41	Cash Balance, End of Period	-	-